

HB 641 -- Retainage on Public Works Projects

Sponsor: Korman

This bill increases from \$25,000 to \$50,000 the threshold dollar amount of a public works project that requires a contractor to purchase a security bond. Public owners, contractors, and subcontractors are prohibited from withholding retainage on public works projects if the public owner has obtained the security bond. If the public owner is not required to obtain a bond because the cost of the project is not estimated to exceed \$50,000, the public owner may withhold retainage on the project in an amount not to exceed 5% of the value of the contract or subcontract.